

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) August 24, 2006

LSB INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

1-7677

73-1015226

*(State or other jurisdiction
of incorporation)*

*(Commission File
Number)*

*(IRS Employer
Identification No.)*

16 South Pennsylvania, Oklahoma City, Oklahoma

73107

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (405) 235-4546

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 – Registrant’s Business and Operations

Item 1.01 Entry into a Material Definitive Agreement

On August 24, 2006, the Registrant’s subsidiary, El Dorado Chemical Company (“EDCC”), executed the Second Amendment to AN Supply Agreement (“Amendment”) with Orica USA (“Orica”). The Amendment extended the original supply agreement between EDCC and Orica to December 31, 2010. The Amendment provides for certain liquidated damages to be paid by Orica to EDCC under certain conditions if Orica purchases less than 180,000 tons during 2006 or less than 210,000 tons in any year thereafter. A press release regarding the Amendment was issued by the Registrant on August 24, 2006, a copy of which is attached hereto as an exhibit.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 24, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 25, 2006.

LSB INDUSTRIES, INC.

By: /s/ Jim D. Jones

Jim D. Jones
Senior Vice President-
Treasurer & Corporate Controller

LSB Industries, Inc. Announces Five Year Extension of Supply Agreement

[PR Newswire 2006-08-24]

OKLAHOMA CITY, Aug. 24 /PRNewswire-FirstCall/ -- LSB Industries, Inc. (Amex: LXU) ("LSB"), whose common stock is traded on the American Stock Exchange under the symbol LXU, today announced that its subsidiary, El Dorado Chemical Company ("EDCC") has entered into a five year extension of its Supply Agreement for low density, industrial grade ammonium nitrate with Orica USA. This contract extension is expected to represent the sale of over one million tons of product over five years. Jack E. Golsen, Chairman of LSB, stated that this contract extension "represents growth in EDCC's opportunity to partner with a global leader in mining services."

LSB is a management holding company with principal business activities consisting of the manufacture and sale of chemical products for the mining, agricultural and industrial markets, the manufacture and sale of commercial and residential climate control products, and the provision of specialized engineering services.

This press release contains certain statements which constitute forward- looking statements within the meaning of Private Securities Litigation Reform Act of 1996, including statements regarding expected sales volumes under the extended Supply Agreement and that this contract extension represents growth in EDCC's opportunity to partner with a global lender in mining services. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, available material, intervening events and regulatory restrictions, termination or renegotiation for any reason of the extended supply contract prior to its termination date, weather conditions, general economic conditions and the additional factors referred to under "Special Note Regarding Forward- Looking Statements" contained in LSB's 2005 Form 10-K and LSB's Forms 10-Q for quarters ended March 31, 2006 and June 30, 2006. LSB makes no commitment to disclose any revisions to forward-looking statements or any facts, events or circumstances after the date hereof that bear upon such forward-looking statements.

SOURCE LSB Industries, Inc.

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08/24/2006

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/Web site: <http://www.lsb-okc.com> /

(LXU)
